



PAT MCCRORY
Governor

DONALD R. VAN DER VAART
Secretary

MICHAEL SCOTT
Acting Director

April 5, 2016

Sent via USPS and email

Mark Andrews
Above the Fold, LLC
7101 Creedmoor Rd Ste. 142
Raleigh, NC 27613

Subject: Letter of Eligibility
Above the Fold
215 S McDowell St, 123 W Hargett St, and 111 W Hargett St
Raleigh, Wake County
Brownfields Project Number 20020-16-092

Dear Mr. Andrews:

The North Carolina Department of Environmental Quality (DEQ) has **received and reviewed your March 1, 2016 Brownfields Property Application (BPA) submitted by Joe Whitehouse of Above the Fold, LLC on behalf of Above the Fold, LLC as a Prospective Developer seeking a brownfields agreement regarding the subject site.** Upon review of the BPA with respect to the requirements of the Brownfields Property Reuse Act of 1997, DEQ has determined that this project is eligible for entry into the North Carolina Brownfields Program (NCBP) and for continued evaluation for a Brownfields Agreement (BFA).

The next step in the BFA process will involve a detailed review of available environmental and other relevant data to determine what is currently known about contamination at the site, and what, if any, information gaps may exist that may require additional assessment. We are in receipt of the attached documents submitted with your BPA, please see Exhibit 1.

If available, historical site information from the files of DEQ's Division of Waste Management will also be utilized during the evaluation process. Please forward any additional information or data you may have or can acquire for our evaluation. This should include reports from other DEQ agencies or regional offices. We will contact you regarding any additional assessment that may be necessary to establish that the property is or can be made suitable for the intended reuse, as required by statute.

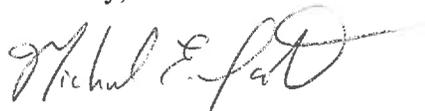
According to the BPA, the intended redevelopment for the site is retail, residential, office, above and below-ground parking, and hotel. Because risk management decisions may vary depending on the nature of the redevelopment, it will be important that DEQ review the locations of the various elements. Please forward any maps or drawings indicating these details, even if they are only preliminary or conceptual.

Please note: pending execution of a final BFA, NCBP eligibility is provisional. The protections a BFA offers the Prospective Developer are *not in effect*, unless and until, the BFA is executed. If you occupy the property or operate or conduct activities at the site that result in a release of regulated substances before a BFA has been finalized for the property, you may be considered to have caused or contributed to contamination at the property. Because an entity that could be considered to have caused or contributed to contamination at the property cannot be a Prospective Developer under the Act, your eligibility for participation in the NCBP would be placed in jeopardy. Consult closely with your Project Manager regarding any planned site activities prior to agreement finalization. You are cautioned to conduct all such operations and activities at the site with great care not to cause a release of regulated substances at the property that could jeopardize your eligibility for participation in the NCBP.

If a party other than Above the Fold, LLC will own the Brownfields Property at the conclusion of the brownfields process, the final document (which gets recorded at the register of deeds' office) must be signed not only by Prospective Developer, but by that owner. Failure by the Prospective Developer to ensure, by the time the BFA negotiations are complete, the willingness to sign of any such party, and to provide DEQ the exact name, email address, telephone number, and US mail address of the party (along with the signatory/signatory's title in the case of an entity) will delay, and could prevent, the BFA taking effect.

We are excited about the potential for public benefit offered by the reuse of the Above the Fold site, and look forward to working with you to advance this brownfields redevelopment project. If you have questions about this correspondence or require additional information, please feel free to contact the project manager Lebeed Kady by phone at 919-707-8378, or by e-mail at lebeed.kady@ncdenr.gov.

Sincerely,



Michael E. Scott, Acting Director
Division of Waste Management

ec: Central Files, DEQ
Bruce Nicholson, DEQ
Lebeed Kady, DEQ
Cheryl Moody, Atlantic Shores Environmental Services, Ltd.

EXHIBIT 1

Attached Documents Submitted with BPA

- Pollution Incident/UST Leak Reporting Form, News & Observer Publishing Company, Incident # 14813. August 12, 1994, Department of Environment, Health, Natural Resources Division of Environmental Management
- Underground Storage Tank Removal Report, The News & Observer, September 23, 1994, Groundwater Technology, Inc.
- UST (8) Closure Checklist, News & Observer Publishing Company, September 28, 1995
- Report of Additional Investigation and Site Sensitivity Evaluation, The News & Observer Publishing Company, October 3, 1995, Groundwater Technology, Inc.
- Review of Underground Storage Tanks Closure Report, News & Observer Publishing Company, November 3, 1995, NC Department of Environment, Health, and Natural Resources
- Report of Analytical Results, November 14, 2012, Pace Analytical Services, Inc.
- City of Raleigh Industrial Discharge Permit, December 31, 2013, City of Raleigh, Industrial Pretreatment Coordinator
- Report of Laboratory Results for The News & Observer: Bi-Annual Day 1 of 1 (June, Dec), December 2, 2015, ENCO Laboratories
- XRF Lead-Based Paint Inspection report, January 21, 2016, The EI Group, Inc.
- Report of Limited Asbestos Survey News & Observer Properties, 215 South McDowell St, 111 and 123 West Hargett St Raleigh, NC, February 19, 2016, Atlantic Shores Environmental Services, Ltd.
- Phase I Environmental Site Assessment, News & Observer Properties, 215 South McDowell St, 111 and 123 West Hargett St Raleigh, North Carolina, February 26, 2016, Atlantic Shores Environmental Services Ltd.